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# INFORMATION FOR ELECTORS -- No. 2.

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# The Liberal-Conservative Policy.

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The following are the broad lines on which is based the Policy of the Liberal-Conservative party:—

## 1. THE CONSOLIDATION AND EFFECTIVE UNION OF ALL THE PROVINCES AND TERRITORY OF BRITISH NORTH AMERICA INTO ONE PROGRESSIVE AND HARMONIOUS DOMINION.

From the first this has been the consistent and steady purpose of the Liberal-Conservative party, and has been carried out.

(a) By enlarging the borders of Confederation.

Sir John A. Macdonald, Sir George E. Cartier, Sir Charles Tupper, Sir Leonard Tilley and their able coadjutors led the way in the Confederation of the four Provinces in 1867.

This was followed up by the purchase of the Great North-west from the Hudson Bay Company in 1869, and the incorporation of a vast territory, unrivalled in richness of resources, and destined to be the very heart of our country.

In 1871 the Great Pacific Province was added, and British Columbia became a part of the Dominion—a Province of inexhaustible mineral wealth, and great resources in fish, lumber and farming.

In 1873 Prince Edward Island was added to the Confederation. These additions all took place under Liberal-Conservative Government.

The Liberals either openly opposed, or crabbedly criticized their acquisition; partly from lack of faith in their resources, partly from dissatisfaction with the terms.

To-day Newfoundland alone remains outside the Confederation, and the Liberal-Conservatives consider it a fixed part of their policy to induce that "Gateway Island of the Gulf" to become a part of Canada.

(b) By encouraging a hopeful and patriotic spirit.

The Liberal-Conservative party have from the first sought to minimize the differences of race, creed

and section, and to keep in full view the great advantages of a United Canada.

The Liberals have followed exactly the opposite policy. They have compared Canada to the United States to the disparagement of the former. They have magnified the difficulties of our geographical position, and declared them an absolute obstacle to union of interest and advantage.

They have thrown into baleful prominence diversity of race and creed, and subordinated the elements that make for a common and patriotic national life.

To them is to be credited the only deliberate attempt yet made to break the Confederation into atoms, when Messrs. Fielding and Longley led the repeal movement in 1886, the object of which was to take Nova Scotia, New Brunswick and Prince Edward Island out of the Union. To this day the Liberal Party has never repudiated this attempt to dismember Canada; to this day it fellowships and lauds the repeal leaders.

Fortunately the Liberal influence, while no doubt retarding Canada's progress in these respects, has not been paramount; the Liberal-Conservative influence has prevailed, and been successful in imparting a strong and hopeful confidence in our future, in developing a firm faith in our resources, and fostering the belief, fast becoming a creed, that Canada is destined to become a great and powerful country.

The second fundamental article of the Liberal-Conservative Policy is:—

## 2. THE DEVELOPMENT OF FACILITIES FOR INTERNAL COMMUNICATION.

What veins and arteries are to the human body, so are railways and water lines to a country, and the larger the country the greater the necessity for them.

The Liberal-Conservative Leaders early perceived the necessity for these. With firm faith in the future they proceeded to build them. At great cost they have continued them



towards their completion. To-day Canada boasts the finest equipment for internal commerce of any country of equal population in the world. One thousand two hundred miles of Government Railway—veining Prince Edward Island, converging from Charlottetown, Sydney, Halifax, Pictou, and St. John to Moncton, and thence running to Quebec, there join on to the Railway connections of the whole Continent of America.

Six thousand five hundred miles of Canadian Pacific Railway connect St. John with Vancouver and Victoria, and belt Ontario, Quebec and the wide prairies with lateral lines—great purveyors of the products of the Canadian mine and forest and lead to the markets of the world.

Three thousand two hundred miles of Grand Trunk Railway intersect every part of Ontario and Quebec, and furnish an admirable network of mechanism of transport. In all there are 16,000 miles of Railway for our 5,000,000 people.

Then there is our canal and river and lake system of transport, now nearly completed, giving a depth of 27½ feet to Montreal, a depth of 14 feet over the St. Lawrence Canals, and opening out into Lake Huron through the new Sault Ste. Marie Canal, which gives us independent access to the very heart of the West.

From the first the Liberal-Conservatives have never wavered in pushing these great channels of communication forward.

They commenced the Intercolonial in their first administration, and completed it in their subsequent term of power, adding thereto all the important branches.

They staked their political fortunes on the building of the Canadian Pacific, and fought it to a successful finish against the persistent and steady opposition of the Liberals.

In 1882 they adopted the policy of subsidizing railroads, and since that time have expended thereon \$14,136,737, and assisted, by this and other aid, in completing 8,646 miles of railway. These have proved of great advantage in local development, and as valuable feeders to the main lines of commerce.

They have energetically pushed forward the canal improvements until they are now nearly completed, and have wholly built the Sault Canal, which renders Canada independent of the whims and caprices of our neighbors to the south.

They have expended generously on public works, viz., improvement of harbors and rivers.

Since Confederation the following sums have been expended on capital account on

Railways, \$120,077,322.

Canals, \$46,174,084.

Public Works, \$41,525,913.

It will be seen that 84 per cent. of the expenditure in railways, 71 per cent. of the total expenditure upon canals, etc., and 85 per cent. of the total spent on public works, have been under Liberal-Conservative administration.

The third plank in the Liberal-Conservative Policy is:—

### 3. THE DEVELOPMENT OF CANADIAN INDUSTRIAL LIFE.

No matter what natural resources a country may have, it can never become great and prosperous without a multiplication of industries, which call forth the diverse capabilities of the people, furnish them with variety of employment, create aggregations of capital and labor for making up the raw material resources of its own and foreign countries, and turn out finished products for home and foreign consumption.

Take her woollen, and cotton, and iron industries out of Great Britain, and what would be left?

Remove the textile and metal industries from the United States, and even her great natural resources of land, timber and fisheries would not sustain her population or ensure her progress.

So in Canada we must have our workers in iron, in woollens, in cottons, in woods, in refining and manufacturing of all kinds, or we cannot hope to grow and become great. Farming and lumbering and fishing are not in themselves sufficient. In Canada we are peculiarly situated alongside of a most progressive and keenly competitive people, and must, to a large extent, be influenced by their industrial policy.

Sir John A. Macdonald perceived all this, and during the years of the Mackenzie administration evolved the policy of developing our industries by a reasonable and sufficient protection which, while it should not be so high as to entirely bar out foreign products, should yet give a point of advantage to our own industries against the superior skill,

capital, and enlarged output of the United States and other manufacturing countries.

The whole country at that time demanded it. One hundred thousand farmers petitioned for protection for their products, subjected to ruinous competition from the United States, while the United States raised a high tariff wall against our farm products. Manufacturers of all classes joined in the demand and for the same reason.

The Liberals refused to do anything, and left the industries of Canada to the mercy of entrenched and powerful foreign competition. Sir John Macdonald launched his policy of national protection; the people took it up, and in 1878 defeated the Mackenzie Government, and sent the Liberal-Conservative Party back to power with a mandate for legislation which should as far as possible maintain "Canada for the Canadians." The National Policy tariff was enacted. At once industries sprung up, business revived, labor

found employment, the demand for consumption of farm products increased, and prosperity was enjoyed on all sides.

In 1882, in 1887, and in 1891 the country by overwhelming majorities endorsed this policy, and returned Liberal-Conservatives to power to maintain it. The policy approved itself to the intelligence of the electorate.

What have been the results?

A great development of industrial and agricultural activity. This is shown:—

(a) By a comparison of the census returns of 1881, as compared with 1891. This does not account for the increase which took place between 1879, when the National Policy was inaugurated, and 1881, when the census was taken (a period of three years), nor for the increase which has undoubtedly taken place since the last census of 1891, a period of five years. But for the ten years the following official return speaks eloquently:

#### CANADIAN INDUSTRIES PER CENSUS RETURNS.

	1881	1891	Variation.	
			Increase.	p. c.
Number of establishments.....	49,722	75,768	26,246	52
Capital invested..... \$	164,957,423	354,620,750	189,663,327	114
Number of employees.....	254,894	370,256	115,362	41
Wages paid..... \$	59,401,702	100,663,650	41,261,948	69
Cost of raw material..... "	179,929,193	256,119,042	76,189,849	42
Value of products..... "	309,731,867	476,253,880	166,527,019	53

(b) By a comparison of imports of staple raw materials brought into this country to be worked up by our own people.

The following table is a wonderful proof of this:—

#### IMPORTS OF RAW MATERIALS FOR MANUFACTURING PURPOSES.

Article.	1878.	1895.	Increase 1895 over 1878.	Per Cent. of Increase.
Wool.....Lbs.	6,230,084	7,750,050	1,519,966	24 2-5 %
Cotton..... "	7,243,413	45,325,832	38,082,419	525 7-10 %
Hides.....\$	1,207,300	1,951,819	744,519	61 3-5 %
Gutta Percha and Rubber.....Lbs.	458,755	2,014,609	1,555,854	339 %
Hemp.....Cwt.	45,961	173,439	127,478	277 %
Lumber, etc!.....\$	913,519	1,485,714	572,195	62 3-5 %
Raw Sugar.....Lbs.	11,732,401	345,518,582	333,786,181	2845 %



Formerly the finished articles, made in foreign countries and by foreign labor and capital, were brought in, and Canadian money went out to pay for all this. Now the raw material is brought in and Canadian labor makes up the finished product, and is paid here, and the wages expended here.

(c) By stimulating the farmers' production for both home and foreign demand.

The farmer's home market is a most important one. He feeds the people who do not farm, i. e., the dwellers in villages, towns, and cities. Every additional family in these enlarges by that much the demand for his products.

Well, since 1878 the population in Canadian towns, and villages, and cities has increased by 750,000. Counting five to a family, this gives an addition of 150,000 families to be fed by the farmers of Canada. Suppose each family consumes on an average \$300 worth of farm products—

eggs, meats, butter, cheese, milk, vegetables, flour, etc., these 150,000 additional families create an increased market for \$45,000,000 for the farmers of Canada now as compared with 1878.

And every one knows that the chief factor in building up the population of the towns is the expansion of industrial establishments, and greater call for labor employment.

But the National Policy has assisted the farmer in another and direct way.

Before 1878 farm produce came into Canada free from the United States, and drove our farmers out of our own markets. Since 1878 the farm products of the United States have been met by the tariff, and our markets have been kept for our own farmers. In 1889 33,112,701 pounds of meat products, valued at \$1,754,225, were brought into Canada. In 1890 the protection was increased, and the result has been as indicated in the following table:—

#### IMPORTS OF MEAT ENTERED FOR HOME CONSUMPTION.

	1889-90.	1890-91.	1892-93.	1894-95.
Bacon, hams and shoulders...Lbs.	4,353,653	2,570,412	670,155	826,882
Salt beef (in barrels)..... "	6,445,105	2,715,101	2,316,588	2,011,866
Mutton..... "	246,363	6,388	2,132	57,845
Pork..... "	17,185,791	11,116,948	3,862,546	3,203,022
Lard..... "	4,881,786	991,655	147,630	236,226
Total lbs.....	33,112,701	17,400,504	6,999,051	6,335,842
Value.....	\$1,734,225	\$973,312	\$452,812	\$401,633
Flour (wheat).....Bbls.	185,458	65,884	34,507	47,883

That is, comparing 1895 with 1890, the farmer's home market in the above articles has been enlarged in volume by 27,000,000 pounds, and in value by \$1,300,000.

Once give the farmer control over our own market, and make him rea-

sonably safe from outside competition, and he feels confidence, and goes on to enlarge his operations for home and foreign markets. That he has done and is doing this in Canada the following table shows:—

# EXPORTS.—AGRICULTURAL PRODUCTS.

	1878.	1890.	1895.
Cheese.....	\$ 3,997,521	\$ 9,372,212	\$14,253,002
Bacon.....	367,319	607,495	3,546,107
Hams.....	110,613	23,584	250,602
Apples (green and dry).....	149,333	997,922	2,071,783
Wheat and flour.....	8,115,661	910,214	6,293,221
Horses.....	1,273,723	1,936,073	1,312,676
Sheep.....	699,337	1,271,347	1,024,587
Cattle.....	1,152,334	6,949,417	7,120,823
Total.....	\$15,865,846	\$22,071,294	\$36,487,801

The fourth plank in the Liberal-Conservative Policy is:—

## 4. THE ESTABLISHMENT OF STEAMSHIP COMMUNICATION WITH FOREIGN COUNTRIES.

This, in its order, comes to be a most important part of the Liberal-Conservative Policy.

First, unite and consolidate the country politically; second, open it up by railways, canals and river improvements; third, develop its industrial and agricultural life in the multiplication and variety of employment and production.

Then the next step necessarily follows in providing the mechanism for the export of the surplus products of our industries, our farms, our fisheries and our mines.

The Liberal-Conservatives have undertaken this with vigor and success.

In 1887 they placed three regular lines of steamships on the route between St. John and Halifax and the West Indies and South America. Despite all difficulties these have been operated with growing success, and have afforded a most valuable outlet for farm and manufactured products in that direction.

Our total West Indian trade, which in 1887 amounted to \$4,000,000, rose in 1895 to \$8,700,000, or an increase of 117 per cent. since the steam service was put on. The West Indies now stand third in the list of countries with which we trade, coming next after Great Britain and the United States.

In 1890 a line of fast steamships was, in conjunction with the British Government, subsidized to run between Vancouver and Victoria and China and Japan. The trade between

these points has greatly increased. In 1874 to 1879 it averaged only \$623,000; for the last five years it has averaged \$2,800,000—an increase of 360 per cent.

In 1893 a line of steamers was subsidized to run between British Columbia ports and the Australian Colonies. The volume of trade has proved very satisfactory, and is increasing each year. It is probable that fortnightly trips will soon have to be made to accommodate the growing traffic.

During the winter of 1895 and 1896 an experiment was made in subsidizing a line of special freight steamers from St. John, N. B., direct to Liverpool, with a view of testing the feasibility of Canadian winter port through shipments. The experiment has been eminently successful. Full cargoes have been carried out and in, and in addition to the stipulated sailings of the Beaver Line, extra boats had to be put on to move the freight which offered, and ships of other companies came as well for occasional cargoes. The Furness Line ran during the season with full cargoes and additional vessels. It is estimated that 36 steamers with a capacity of 69,175 tons carried freight valued at \$3,000,000 out of the Port of St. John during the season from November to April.

So satisfactory has this trial been that the Government has announced its policy to withdraw all subsidies for mails or freight to steamers which make a winter port on this side the Atlantic outside of a Canadian port. It has been determined also to put a line of freight vessels on between Canada and France, which will likely begin sailings early this season.

For several years the Government policy has been announced in



favor of placing a fast line of steamships between Canada and Great Britain, equal in speed and equipment to the steamers plying to New York. A subsidy of \$750,000 has been voted by Parliament, and the British Government has decided to add \$350,000 to this, and tenders have already been called for. Never before has the British Government gone so far as to endorse and co-operate with the policy of direct fast communication between Canada and Britain. When this line is in operation, the communication will be continuous and complete from Australasia, and the east across the Pacific to Vancouver, over the Canadian railways to the Atlantic ports, and thence to Liverpool and London.

The benefit to Canada from such a central and favored position cannot but be signal and gratifying.

So much, then, for the Liberal-Conservative Policy. It is backed and co-operated with by the Australian Colonies and Great Britain, it is of immense importance to Canada and the Empire, it is thoroughly endorsed by the Boards of Trade and business men of Canada. The President of the Toronto Board of Trade, who is a Liberal in politics, in his annual address, January 28th, 1896, said:—

"With a fast Atlantic service, a swift, through rail route from the Atlantic to the Pacific, with a further swift line of steamers from Vancouver to Japan, China and Australia, I see nothing to prevent Canada from becoming the great highway of the world between the East and the West; teas, coffees, fruits, silks, and other Eastern products will be carried by our railways, and Canada itself brought prominently before the world in a manner that in the past the most sanguine never conceived possible. In what better way can our country be advertised? In what better way bring to the notice of toiling millions the grand rolling prairies of the North-west, that only want the hands of men to blossom into fruitfulness and become the means of wealth and happiness to millions of the human race?"

But the Liberal party, headed by Mr. Laurier, and followed by Sir Richard Cartwright, Mr. David Mills, Mr. Louis Davies and others, has persistently denounced and opposed the establishing of every one of these lines of steamships, and fought the subsidies in and out of Parliament!

Another article in the Liberal-Conservative creed is:—

## 5. THE MAINTENANCE OF BRITISH CONNECTION, AND THE ULTIMATE UNION OF BRITAIN AND HER COLONIES IN ONE IMPERIAL WHOLE.

The Liberal-Conservative Policy has no place for the annexation doctrines of Mr. Ellis—the most prominent and leading Liberal in Dominion politics in the Province of New Brunswick, and who for years has openly advocated union with the United States; nor for the open sympathy and advocacy of the Hitts, the Wimans, the Shermans, the Danas, and other leading United States politicians, with whom the Liberals have for years, and do now, fraternize; nor for repealers and enemies of Canadian Federal unity, such as the Fieldings, the Longleys, and the Davies of the Liberal party; nor for the detractors and defamers of Canada's present and future, like Sir Richard Cartwright and his following.

The Liberal-Conservatives believe in the future of Canada. They stand for her complete independence, in fiscal and political matters, of the United States; they are a unit for strengthening the bonds that now join us to the Mother Land, and for gathering into one great Empire the Mother Land and all the dependencies. They believe that the one sure way to bring this about is

(a) To perfect the means of communication between Great Britain and her colonies, and between the colonies themselves.

(b) To develop a growing community of business and trade interests within the Empire, and facilitate this by closer cable and steamship connections.

(c) To press forward with all reasonable speed, and by carefully considered methods towards the consummation of a system of trade relations within the Empire itself, which shall give advantages and preference to the products of the Empire over products of all outside countries.

The policy of Great Britain as outlined by the present Colonial Secretary, the Right Hon. Joseph Chamberlain, looks in this direction, and the times are becoming ripe for forward movement. The idea of Inter-Imperial trade preference is no longer a dream, but has entered the field of practical politics. It holds out for Canada, the premier Colony,

with its wonderful resources, and its central position, a promise of immense advantage.

The Liberal-Conservative Party may be trusted to develop that idea. Its record and its traditions are guarantee therefor.

We quote in this connection the closing paragraphs of the Budget speech, delivered by Hon. G. E. Foster, Minister of Finance, in January, 1896:

**CLOSER TRADE RELATIONS WITH THE EMPIRE.**

"But there is a line which I think it is possible, and I believe it is right that the statesmanship of this country as well as of Great Britain and other colonies of the Empire should consider and ponder carefully and well, and that is whether it is not possible for statesmanship in the colonies and Great Britain to bring about between the colonies as amongst themselves and between the colonies and Great Britain concurrent action which will be conducive to the commercial interests of both, and which will result in greater power and strength. I read an article but a little time ago in the *Nineteenth Century Review*, in which the general question which is agitating many thoughtful minds at the present day was raised and discussed, as to whether the Empire would be able to feed itself in the event of a war against Great Britain which would cut off her supplies from hostile nations. Feed itself! Why, sir, if statesmanship is not able, practically to solve that question, statesmanship must find it impossible to solve any of the great questions which from time to time present themselves for consideration. The Empire able to feed itself! Yes. This article showed that 100,000,000 bushels of wheat were necessary to England, other than that which the colonies afforded her at the present time, in order to feed the people of the Empire there. One hundred millions bushels of wheat! Why, fifty thousand Canadian farmers with 100 acres each, in wheat, and raising 20 bushels to the acre, would produce the 100,000,000 of bushels of wheat needed by Great Britain. And, what is fifty thousand farmers cultivating five millions of acres, compared with the English farmers wanting employment and the numbers of millions of acres of good wheat land in Manitoba and the North-west Territories, which has not yet been scratched by the plough? Meats to

the value of one hundred and forty millions of dollars would need to be supplied by the colonies, to make up for Great Britain's deficiency, supplied now from foreign countries. Well, cattle, and horses, and pigs in illimitable quantity could be raised in this country. And as to butter and cheese: fifty thousand farmers owning each fifty cows, amounting to 2,500,000 in numbers, would supply butter and cheese going far to meet the demands of Great Britain for such supplies. And, with the vast lands of the North-west, that is not an estimate which cannot be reached, if adequate means were taken to bring it about. So, sir, I might go on to amplify this. The sugar which is necessary for the consumption of Great Britain could be supplied by the West Indies, and by the East Indies, with the cultivation of the cane lands which are now going out of use, and which by its diminution is impoverishing the planters and the laborers of the West Indies. That industry might again have its period of flourishing and its reward of remunerative production were concurrent action taken in Britain and the Islands. So, all the way through. It is a problem which only requires time and good statesmanship to solve. And, as I said before, it is for Canada, for Australia, for the other colonies of Great Britain and for Great Britain herself to ponder this seriously and carefully; to consider whether or not an arrangement cannot be come to which will make the Empire and its dependencies sufficient within themselves to feed the Empire, and by doing that add to the volume of business, and to a mutually remunerative production. And, sir, the statesmanship which could formulate some such policy of mutually beneficial trade would achieve an end infinitely higher and more wide-reaching. It would evolve from the dark foreground of the not distant future a national life of singular strength and beauty, in which Canadian Britain, and Australasian Britain, the Britain of Asia and Africa and of the Isles of the Sea, would group themselves in grand imperial unity; the old enriching the new, and the new imparting fresh strength to the old—through whose world-wide realm the blood of a common commerce should mingle with the blood of a common patriotism, whose power would compel peace, and whose millions of happy people would march in the van of the fullest freedom and the highest civilization.



# Canada Under Grit and Liberal-Conservative Administration.

Now that the people are approaching the time when they are to choose their representatives for another Parliamentary term, it is of importance that they should carefully compare the condition of Canada under the rival parties.

Nothing shows better the weak or strong points of a policy than the actual results of administration on the various commercial and industrial interests of the Country.

The Liberal party have had but one term of power since Confederation, which in itself is *prima facie* evidence that their policy has not found favor with the electorate. What was the result of their five years, 1874 to 1879 inclusive?

The Liberal-Conservative Party have had 24 (twenty-four) years of administration. What has been accomplished thereunder generally and how do the last five years, 1891 to 1895 inclusive, compare with the five years of the Liberal Administration?

Taking the broad lines of distinction the difference is obvious and striking.

The Liberal Government originated nothing. No great measure of public policy stands credited to their administration. They carried on what they found when they came into power, and carried it on badly in the main. They finished the Intercolonial and ran it at a large deficit. They found the St. Lawrence Canal system outlined, and contracts given; they cancelled many of the contracts and gave them out at higher rates. They tried their hands at the Pacific Railway, spent millions in surveys of routes never used, bought steel rails that were not wanted, at ruinous rates, and let them rust out; and after spending nearly half a million dollars on Fort Francis Locks, which have been since used as a dumping ground for saw-dust, failed even to realize their hybrid ideal of utilizing the water stretches, and ended with nothing further than connecting Winnipeg with Chicago, by means of the Pembina Branch, and drawing its

trade southward. They attempted a tariff which pleased nobody in the way of trade encouragement, and failed utterly to produce revenue.

For deficient income they raised loans; for falling trade they opened no new fields abroad, and attempted no scheme of improvement at home; for the increasing depression they devised no remedy; for the growing exodus and continued non-employment they essayed no encouragement to home industries, no development of the country's rich resources. Their administration helped to develop no new mines, to open no new lands, to start no new industry, to develop no interprovincial trade, and to arouse no feeling of patriotism; it was a dull, hopeless, absolute negation.

Take the broad lines of the Liberal-Conservative Administration and note the difference.

No sooner was the Government organized in 1879 than activity began. The protective policy was at once put into operation, trade revived, industries were developed, and labor found ready employment. The Industrial life of Canada began to develop with wonderful rapidity; interprovincial trade grew and thrived, and a spirit of hopeful progress animated the whole country.

The problem of Transport was taken up; the Canadian Pacific Railway built connecting the Atlantic and the Pacific; the canals were deepened and enlarged, and the Sault Ste. Marie begun, and completed; a system of aiding subsidiary railway lines was inaugurated, and steamship services placed on the Pacific, Atlantic and West Indian Waters, so that to-day Canada is probably the best equipped country in the world in facilities for carrying freight and passengers. A plan was evolved for the encouragement and improvement of agriculture by the establishment of Experimental Farms in different parts of Canada; by disseminating information gained thereon to the farmers; by imparting, through bulletins and lectures, suggestions for bet-



ter methods of feeding stock, of making cheese and butter, of fertilizing fields and raising crops. By liberal appropriations, the facilities for improved transport of perishable products have been greatly assisted, and cold storage provided in warehouses and on board steamers, and the export of chilled meats, poultry, etc., facilitated.

All these the Liberals have openly fought, or harshly criticized, or persistently disparaged.

The North-west has been practically opened up by the Liberal-Conservatives, provided with the means of communication, and is rapidly becoming the Granary of North America. Last year over 80,000,000 bushels of grain of all kinds were raised there, besides dairy and farm products of great additional value.

Mining has been assisted by a wise

policy of exempting machinery of certain kinds from duty, and granting a bonus to iron and lead and silver production; and, whilst steady progress has been made in this direction in the old Provinces, the most striking development has taken place in British Columbia.

A new spirit has been breathed into our people—a hopeful confidence in Canada's future, and a strengthened feeling of British and Imperial unity.

If we come down to particulars we note the contrast between 1874-79 and 1890-95, two periods of five years with conditions of depression and hard times the world over present in each:—

#### 1. AS TO FOREIGN TRADE.

The following table will show at a glance the contrast in foreign trade:

TRADE OF CANADA WITH FOREIGN COUNTRIES.

Year.	Exports of home produce.	Imports for home consumption.	Total.	Total trade of Canada.
	\$	\$	\$	\$
1874.....	78,737,832	127,404,169	206,142,001	217,565,510
1875.....	70,749,660	119,618,657	190,368,317	200,957,262
1876.....	73,731,474	94,733,218	168,464,692	174,176,781
1877.....	63,764,285	96,300,483	165,064,768	175,203,355
1878.....	63,153,789	91,199,577	159,358,366	172,405,454
1879.....	63,135,611	80,341,603	143,477,219	153,455,682
Total 1875-1879.....	344,539,819	432,193,543	826,733,362	876,199,534
Average per year.....	68,907,964	96,438,708	165,346,672	175,239,906
Decrease 1879 over 1874.....	15,602,221	47,062,561	62,664,782	64,109,826
Average decrease per year.....	- 3,120,444	- 9,412,312	- 12,332,956	- 12,821,965
1890.....	87,697,363	112,765,584	200,462,952	218,607,390
1891.....	88,801,066	113,345,124	202,146,190	218,384,934
1892.....	99,333,913	116,978,943	216,317,856	241,369,443
1893.....	105,798,257	121,705,030	227,503,287	247,638,620
1894.....	104,161,770	113,093,983	217,255,753	240,999,889
1895.....	103,085,012	105,252,511	208,337,523	224,420,485
Total 1891-95.....	501,185,018	571,375,591	1,071,560,609	1,172,813,371
Average per year.....	100,237,003	114,275,118	214,332,121	234,562,674
Increase 1895 over 1890.....	15,387,644	.....	7,874,571	5,813,095
Decrease 1895 over 1890.....	.....	7,513,073	.....	.....
Yearly average increase or decrease.....	+ 3,077,528	- 1,502,614	+ 1,574,914	+ 1,162,619

During the Grit period home produce exports fell off over 15½ millions; imports for home consumption fell off over 47 millions; total trade fell off over 64 millions.

During the Liberal-Conservative period the yearly average of exports was 100 millions, of imports 114 millions, and total trade 234½ millions of dollars; during the Grit period these averages were only 69 millions, 96½ millions, and 175 millions of dollars respectively.

## 2. AS TO HOME BUSINESS.

But even more important than the foreign commerce is the domestic trade of the country, and a few figures regarding matters generally, acknowledged to indicate the degree of business activity will show the baneful effects of Liberal rule, and the great improvement under Liberal-Conservative Government.

The business failures, which averaged \$22,000,000 in liabilities under the Mackenzie Administration, averaged for the period 1891-95 only \$15,700,000, or a decrease of \$6,500,000 in per year.

The note circulation, Government and bank, averaged \$33,843,062 when Sir Richard Cartwright was Finance Minister, as against \$50,864,397 under the Hon. G. E. Foster. There was a falling off of \$9,149,389 under Liberal administration, or a yearly average of \$2,287,347. In the Conservative period there was an increase of a quarter of a million. The discounts by the chartered banks from 1874 to 1878 averaged \$128,130,062, against \$195,803,308 from 1891 to 1895. There was a decrease under the Liberals of \$11,997,452, or \$2,999,363 a year, and an increase under the Conservatives of \$32,648,123, or \$8,162,031 a year.

The deposits in the chartered banks averaged \$73,926,285 when Sir Richard Cartwright managed the finances, and \$172,335,610 in the last five years. In these, too, there was a falling off of \$6,257,501, or \$1,564,375 a year in the former period, and an increase of \$41,695,032, or \$10,423,758 a year in the latter.

The deposits in the Savings Banks (Post Office, Government and special) averaged in the Liberal era \$13,804,097, and in the Conservative \$54,071,194. There was an increase from 1874 to 1878 of only \$106,915, or \$26,729 a year, against \$7,196,723, or \$1,799,181 per year in the last five years.

The volume of insurance is a valuable criterion of prosperity and enterprise. From 1874 to 1878 the life insurance effected amounted to \$14,755,436 a year, as compared with \$44,399,189 from 1891 to 1895. There was a decrease of \$6,938,466, or \$1,734,616 a year in the former period, and an increase of \$6,915,297, or \$1,728,824 a year in the later. The insurance in force averaged \$85,083,269 under the Liberals, against \$292,832,318 under the last five years of Conservative Government. There was again a decrease of \$964,388, or \$241,097 a year compared with an increase of \$58,306,710, or \$14,576,677 a year, from 1891 to 1895.

Fire insurance premiums averaged \$3,591,502 under the Mackenzie administration and \$6,404,416 for the last five years. There was a decrease of \$153,873, or \$38,468 a year, while there has been an increase of \$875,298, or \$175,060 a year from 1891 to 1895. The amount at risk averaged \$381,223,162 in the former period, and \$795,889,229 in the latter.

The business of the Post Office is another good indication of the state of affairs. There was an average of 5,030 offices with a yearly increase of 168 under the Liberals, and an average of 8,469, with a yearly increase of 193 during the last five years. The letters and post cards averaged 45,043,900, and the papers, books, and parcels 38,471,200 in the former period; the letters and post cards 126,690,000, and the papers, books and parcels, 93,265,626 in the latter period.

The Money Order Office averaged 722, with a yearly increase of 27 from 1874 to 1878, and 1,164, with a yearly increase of 45 from 1891 to 1895; the money orders amounted to \$6,864,660 a year under the Liberals, and \$12,928,033 in the last five years.

The use of the means of communication and transport is obviously connected with the degree of business activity. The shipping entered and cleared at Canadian ports (not including coasting vessels) averaged 10,796,929 tons from 1874 to 1878, and 19,097,936 from 1891 to 1895. The miles of railway in operation averaged 5,113 under the Liberals, and 15,044 during the last five years of Conservative rule; the number of passengers was 5,813,097, and the tons of freight 6,686,465 a year in the former period, as compared with



13,764,817 passengers and 21,638,416 tons of freight in the later period; the earnings were \$19,522,689 a year against \$35,206,562.

In all these important particulars the contrast between the records of the two administrations is very striking, being a most forcible condemnation of Liberal rule and an equally telling tribute to the wisdom of the Conservative policy. Nor can the Opposition pretend that to the natural growth of the country is due this great improvement, for when they were in power the country was actually going backward in such important respects as the exports,

the imports, the note circulation, the commercial discounts, the deposits in the banks, life insurance, and insurance against fire.

Nor can the Liberals successfully plead that they were in office during a time of commercial depression, for the last five years of Conservative administration have included a period of far more severe depression of world-wide prevalence. That Canada escaped from its effects to a most satisfactory extent as compared with other countries has been generally acknowledged, and is the greatest proof of the beneficial nature of the Conservative Policy.

Will the people of Canada entrust the Liberals again with power in the face of such a record, and so give an opportunity for its repetition.

The following table will show at a glance the result of

- (1) The five years of Grit administration from 1874-79.
- (2) The comparative condition for the last five years of Liberal-Conservative administration, and
- (3) The result of Liberal-Conservative rule from 1880 to 1895:—

#### COMPARISON OF PERIODS OF ADMINISTRATION.

	Grit, five years, 1874-9.	Lib.-Conservative, last five years, 1890-5.	Lib.-Conservative, 15 years, 1880-95.
Imports, home consumption.....	Decrease \$47,000,000	Decrease \$ 7,500,000	Increase \$33,500,000
Exports.....	" 18,000,000	Increase 17,000,000	" 26,000,000
Total trade.....	" 65,000,000	" 9,500,000	" 59,500,000
Excise and customs tax.....	" 1,600,000	Decrease 6,000,000	" 1,500,000
Average earnings from post offices, railways, etc.....	4,000,000	8,750,000	8,000,000
Per cent. duty on imports, H. C..	Increase 2.71 p.c.	Decrease 3.07 p. c.	Decrease 2.70 p.c.
Customs duty, per head.....	Decrease \$0.60	" \$1.49	Increase 17 cents
Net debt.....	Increase \$40,000,000	Increase \$16,000,000	" \$100,000,000
Average yearly increase.....	" 8,000,000	" 3,200,000	" 6,000,000
Net interest on debt.....	" 1,500,000	" 750,000	" 2,333,333½
Per cap. interest on debt.....	Inc. \$1.34 to \$1.59.	Dec. \$1.86 to \$1.83.	Inc. \$1.64 to \$1.83
Net Deficits.....	\$5,500,000	\$ 1,500,000	Net Surp. \$12,000,000
Remission taxation.....	Nil.	20,000,000	\$45,000,000
Average failures.....	\$22,100,000	15,700,000	13,500,000
Credit index.....	4.75 to 4.30 p. c.	3.16 p. c.	4.23 to 3.16 p. c.
Savings.....	Decrease \$333,333½	Increase \$45,000,000	Increase \$155,500,000



# Preferential Trade.

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The British Empire consists of the United Kingdom of Great Britain and Ireland, India; 38 Colonies; and, besides, Protectorates and Dependencies. In all, according to Whittaker, the Empire has a population of over 400,000,000 souls, the United Kingdom having 39,134,166, and the Colonies 20,044,851, the whole population of the Empire being more than one-fourth of the population of the world.

The total external trade of the Empire is about \$5,355,367,400, of which \$3,103,000,000 is imports.

The total area of the Empire is over eleven million square miles. (For comparison it may be stated that the area of the United States is about three million square miles.)

All these Colonies, Dependencies, Protectorates and India and the United Kingdom have different methods of raising revenue and different tariffs applied to the imports. Some are on a free trade basis, while others are protective.

In recent years efforts have been made to bring about a unity of the Empire. The line of least resistance seems to be a tariff arrangement by which trade shall be promoted between the several portions of this vast Empire.

Out of these efforts has therefore come the agitation for preferential trade.

This simply means that the several portions of the Empire are to give each other tariff and other advantages which they are not to give to nations and peoples outside of the Empire.

Preferential trade, however, is not preferential free trade. Each portion of the Empire retains such a Customs tariff as experience shows to be most suitable to its requirements and to the stage of its development. This tariff is applied to the goods and commodities of all other portions of the Empire. At the same time other and higher rates of duty are to be applied to goods and commodities of outside or foreign nations.

The questions which naturally arise are:—1st. What will be the benefit of such a tariff, and 2nd. Is it practicable so as to make its agitation a living issue in the elections soon to come off in Canada?

able so as to make its agitation a living issue in the elections soon to come off in Canada?

## THE BENEFITS OF PREFERENTIAL TRADE.

Without going into the general question of its utility as applied to the whole Empire, we take Canada alone and ask the question for her. What good will result from such a change?

A few illustrations will show:—

1st. Great Britain imports yearly 1,126,000,000 pounds of animal products in the shape of meats: mutton, pork, bacon and hams, beef, etc. Canada's share in the supply has been somewhat over 33,000,000 pounds a year, or 2.9 per cent., more than one-half of the whole being supplied by the United States. With a duty on the foreign article the trade between Canada and Great Britain would be greatly developed.

2nd. Great Britain's imports of wheat, flour, etc., in 1894, amounted to 10,152,000 tons, say 340,000,000 bushels. The British Colonies supplied 30,000,000 bushels, or less than one-tenth.

3rd. Of dairy products Great Britain imported \$106,952,000. The British Colonies supplied \$21,181,596, or about one-fifth.

4th. Of eggs Great Britain imported \$18,425,316. The Colonies supplied \$483,068.

If a duty were placed upon these articles when imported into Great Britain from foreign countries the result would be to stimulate the trade between Canada and the Motherland.

Canada sends to the British West Indies, animals, breadstuffs, coal, fish, hay, leather and manufactures, provisions, planks and other manufactures of wood, and she imports bananas, coffee, cocoanuts, molasses, sugar, rum, oranges and lemons, etc. the total trade amounting to \$3,100,000. The United States export about \$8,400,000 to the British West Indies. With a duty on these exports greater than that imposed on Cana-

dian exports the trade of Canada would be greatly stimulated.

These illustrations suffice to show that the subject is of very great importance to Canada.

It is equally important in all its bearings.

## THE PRACTICABILITY OF PREFERENTIAL TRADE.

2nd. The second question is:—Is Preferential Trade practicable?

On the 25th April, 1892, the following resolution was discussed in the Canadian House of Commons:—

“Resolved,—That if and when the Parliament of Great Britain and Ireland admits Canadian products to the markets of the United Kingdom upon more favorable terms than it accords to the products of foreign countries, the Parliament of Canada will be prepared to accord corresponding advantages by a substantial reduction in the duties it imposes upon British manufactured goods.”

Mr. Davies, leader of the Liberal Party in the Maritime Provinces, moved in amendment that:—

“Inasmuch as Great Britain admits the products of Canada into her ports free of duty this House is of opinion that the present scale of duties exacted by Canada on goods mainly imported from Great Britain should be reduced.”

The amendment was lost on a strict party vote, 64 voting for and 98 against.

The main motion carried, 97 voting for and 63 against.

Thus the Liberal-Conservative Party placed on record its belief in preferential trade with Great Britain, while the Liberal Party opposed to that, a policy of general reduction of duties without reference to the unity of the Empire or the special benefits sought for Canada through the resolution.

The idea of preferential trade with Great Britain was therefore deemed to belong to practical politics by the representatives of the Liberal-Conservative Party in Parliament assembled.

In the latter part of June, 1892, the second Congress of the Chambers of Commerce of the Empire met in London (Eng.).

On June 28th, Sir Charles Tupper, Bart., with the permission of the representatives of the Montreal

Chamber of Commerce moved the following resolution:—

“Whereas, the British Empire, covering one-eighth of the habitable globe, with a population of 350,000,000, can amply supply the home market with the productions of every clime at the lowest possible cost, and whereas, a national sentiment of mutual interest and brotherhood should promote more extended commercial relations between the Mother Country and its many colonies and possessions; resolved, that in order to extend the exchange and consumption of the home staple products in every part of the British Empire, a slight differential duty should be adopted by the Imperial and Colonial Governments in favor of the home productions against the imported foreign articles.”

This establishes the fact that the business men of the Montreal Chamber of Commerce considered preferential trade to be practical and its discussion timely.

The Intercolonial Conference was held in Ottawa, opening on 28th June, 1894. It was attended by representatives from New South Wales, Cape Colony, South Africa, New Zealand, Victoria, Queensland and Canada, the Imperial Government sending the Earl of Jersey as its representative.

The following resolutions were passed:—

“Whereas, the stability and progress of the British Empire can be best assured by drawing continually closer the bands that unite the Colonies with the Mother Country, and by the continuous growth of a practical sympathy and co-operation in all that pertains to the common welfare;

“And, whereas, this co-operation and unity can in no way be more effectually promoted than by the cultivation and extension of the mutual and profitable interchange of their produce.

“A. Therefore, resolved,—That this Conference records its belief in the advisability of a customs arrangement between Great Britain and her Colonies by which trade within the Empire may be placed on a more favorable footing than that which is carried on with foreign countries;

“Further resolved,—That until the Mother Country can see her way to enter into customs arrangements



with her Colonies it is desirable that, when empowered to do so, the Colonies of Great Britain, or such of them as be disposed to accede to this view, take steps to place each others' products, in whole or in part, on a more favored customs basis than is accorded to the like products of foreign countries."

It was clearly the opinion of all the Colonial delegates that it is desirable that the Colonies represented should make arrangements with one another, and, if possible, with Great Britain, which would give British products an advantage over foreign products, and that for this purpose any statutory or treaty provisions which stand in the way should be removed. It was felt by the delegates that, so far as might be possible, British subjects should take what they have to import from their own kindred rather than from foreign states.

The clear-headed and patriotic men who composed this Conference plainly thought that preferential trade was, and is, a living question—a live issue of the day.

In the Queen's speech at the prorogation of Parliament, on August 25th, 1894, it was stated:—

"A Conference was held at Ottawa in the month of June last, at which representatives of the Imperial Government, the Dominion of Canada, the Cape and the Australian Colonies met to consider questions relating to intercolonial tariffs and communications.

"I have learnt with satisfaction that the proceedings of the Conference were of a character calculated to strengthen the union of the Colonies concerned, both among themselves and with the Mother Country."

Lord Rosebery's Government, which was then in power, raised no difficulty in connection with the matter, but gave it the imprimatur and approval of the Sovereign.

It will be admitted from these facts that the subject of preferential trade within the Empire is a practical question, and is deemed practicable by many and diverse authorities.

#### DIFFICULTIES.

There are always difficulties in the path of every great question. Preferential trade is no exception.

Sir Charles Tupper, Bart., at the time Secretary of State, in referring to the difficulties in the way, said:—

"The first point with which we are met is:—But this would be protection, for you want Great Britain, which now admits free the products of all countries alike, to draw the line and say, 'A portion of the world's surface is occupied by the English-speaking race, and they are entitled to favors that foreign countries have no claim to whatever.' We point them to Spain, to France, to Holland, and to all governments in the world, and we defy them to show one on the face of the globe that does not make a difference in commercial matters and commercial intercourse in favor of its own colonies.

"Some people have the folly to argue that England's foreign trade is so much, and that her trade with her own possessions is much smaller. I believe that if the policy to which I have referred was adopted, these figures would be relatively changed.

"There is no reason why, if England adopted a policy favoring her own colonies, foreign countries should, for a moment, have the slightest ground for complaint.

"England, free trade country as she is, now raises twenty millions of pounds sterling per annum, or about that—it was 19,000,000 odd this last year—in customs duties, and if she says to foreign countries which, Lord Salisbury said, are building up a brazen wall of protection higher and higher against her instead of meeting her with any consideration for the favor that she shows them, if she says:—'We are going to adopt, not your policy of a protective tariff, but we are going to put an insignificant duty, not a duty of thirty or forty or fifty per cent. against your product, but say a duty of ten per cent., while we allow everything to come in free from our own dependencies, and thus we propose to raise a small additional portion of our revenue.' And it would not be a small additional portion; it would be enough to pay the cost of her army and navy if she charged ten per cent. on what comes in free. If England said this, there would be no country in the world that would have the slightest ground to call it protection. But that question has been dealt with by so high authority as the present Prime Minister of Great Britain. Lord Salisbury was applied to, if it would be protection for England to make an arrangement for her colonies to come in under more favorable circumstances



than foreign countries. He instructed his private secretary to write, under date April 5th, 1887:—"I am to reply that Lord Salisbury does not imagine that differential duties in favor of our colonies, whatever may be said for or against them (he is a very cautious man, as you see), can properly be described under the term protection."

The German and Belgian Treaties are the second difficulty in the way.

The Ottawa Conference passed the following resolutions on this subject:—

"Resolved, that provision should be made by Imperial legislation enabling the dependencies of the Empire to enter into agreements of commercial reciprocity, including the power of making differential tariffs with Great Britain or with one another.

"That this conference is of opinion that any provisions in existing treaties between Great Britain and any foreign power which prevent self-governing dependencies of the Empire from entering into agreements of Commercial reciprocity with each other or Great Britain, should be removed."

The Ottawa Conference had in view the treaties with Germany and Belgium, which, while they do not prevent differential treatment by the United Kingdom in favor of her Colonies, nor differential treatment by the Colonies in favor of each other, do prevent differential treatment by British Colonies in favor of the United Kingdom.

With respect to these two treaties, made, the one 34 years ago, and the other 31 years ago, Lord Salisbury said in 1891:—"We shall be glad indeed to take every opportunity that arises for delivering ourselves from those unfortunate engagements."

He further said with respect to Preferential Trade:—"I know the ordinary view of the duty of the Government is to devise for itself the measures it may bring forward, and then let them take the chance, whatever that may be. And no doubt it is in a great measure true with respect to the large mass of legislation on secondary questions that they have to propose; but it is not true with respect to an organic question which concerns and will control the very existence of our Empire, and the very foundation of our trade."

He continued:—"On this matter public opinion must be framed or formed before any Government can act. No Government can impose its own opinions on the people of this country in these matters. You are invited, and it is the duty of those who feel themselves to be the pioneers of such a movement and the apostles of such a doctrine, to go forth and fight for it, and when they have convinced the people of this country their battle is won."

#### CANADA'S DUTY.

What Canadians have to do is first to make up their minds that they want preferential trade, and, second, to cast their votes for the party committed to that policy, and thus inform the Imperial Government and the people of the Mother Isles in the most emphatic manner possible, that Canada wants preferential trade and the unity of the Empire, which lies at the base of the trade policy. Such action, if emphatic, must have an immense effect upon the electors of the Mother Isles in hastening the removal of the difficulties.

**Vote for**  
**Preferential Trade,**  
**The Unity of the Empire**  
**and the Liberal-Conservative Party.**